

February 27, 2003

## LEGAL NOTICE

The Montana Department of Environmental Quality (DEQ), Environmental Management Bureau in Helena, MT and the USDI Bureau of Land Management (BLM) have completed a five-year bond review for Montana Tunnels Mining, Inc.'s (MTMI) Montana Tunnels Mine as required by the Metal Mine Reclamation Act, 82-4-338(3), MCA.

The agencies have determined as part of the bond review process that an increase in the bond is required to guarantee reclamation of the 1177.5 acres of permitted disturbance at the site including water management issues at closure. The current reclamation bond held on the property is \$14,987,688. The agencies calculated a proposed bond determination of \$15,284,600 which includes two years of adjustments for inflation. Adjustments for the following three years would be submitted with the company's annual reports.

The proposed bond determination was published by the agencies and the only comments received were from the mining company. The agencies have reviewed the comments received from the mining company and decided the proposed bond determination is a reasonable estimate of the costs of reclaiming the mine site. As a result, the final bond determination remains at \$15,284,600.

MTMI or any person with an interest that may be adversely affected by the final bond determination may request a contested case hearing before the Board of Environmental Review (the Board). Unless a hearing is requested, MTMI is required to post bond within 30 days of the publication of this final bond determination. If MTMI demonstrates that, through the exercise of reasonable diligence, it will not be able to post the bond within 30 days, DEQ is required to grant a 30-day extension of the deadline.

A request for a hearing must specify the amount of bond increase, if any, that MTMI considers appropriate and state the reasons why it considers DEQ's final bond determination excessive. As a condition precedent to any right to request a hearing, MTMI would be required to post bond with DEQ in the amount of the bond increase that it has stated is appropriate in the request for hearing or the amount that is one-half of the increase contained in DEQ's final bond determination, whichever amount is greater. The hearing would be conducted before the Board. If the Board determines that additional bond is necessary, MTMI would be required to post bond in the amount determined by the Board within 30 days of receipt of the Board's decision. DEQ may grant a reasonable extension of the deadline if MTMI demonstrates that, through the exercise of reasonable diligence it would not be able to post the bond within 30 days. If MTMI fails to post bond in accordance with these procedures, the operating permit is suspended by operation of law and MTMI would be required to immediately cease mining until the bond is posted and approved by the agencies.

A request for hearing should be submitted to the Board at the address listed below within 30 days of this publication.

A copy of the bond calculations that form the basis for the final bond determination can be obtained by contacting the Montana Department of Environmental Quality, Environmental Management Bureau, P. O. Box 200901, 1520 E. Sixth Ave., Helena, MT 59620-0901, or by calling Patrick Plantenberg at (406) 444-4960 or contact him by e-mail at [pplantenberg@state.mt.us](mailto:pplantenberg@state.mt.us).